

CITY OF ARLINGTON, KANSAS

**Financial Statements for the
Year Ended December 31, 2016
Independent Auditors' Report**

CITY OF ARLINGTON, KANSAS

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INDEPENDENT AUDITORS' REPORT

The Honorable Mayor and City Council
City of Arlington, Kansas

We have audited the accompanying fund summary Schedule of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Arlington, Kansas (City), as of and for the year ended December 31, 2016 and the notes to the financial Schedule.

Management's Responsibility for the Financial Schedules

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Kansas Municipal Audit and Accounting Guide (KMAAG) as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial Schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and KMAAG. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial Schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial Schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misSchedule of the financial Schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial Schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial Schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As describe in Note 1, of the financial Schedules, the financial Schedules are prepared by the City of Arlington, Kansas (City) to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of KMAAG, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial Schedules of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial Schedules referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Arlington, Kansas as of December 31, 2016, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial Schedules referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Arlington, Kansas as of December 31, 2016, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of KMAAG described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary Schedule of regulatory basis receipts, expenditures, and unencumbered cash balances as a whole. The summary of regulatory basis expenditures – actual and budget and individual fund schedules of regulatory basis receipts and expenditures – actual and budget, are presented for purposes of additional analysis and are not a required part of the financial Schedules, however are required to be presented under the provisions of KMAAG. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial Schedules. The information has been subjected to the auditing procedures applied in the audit of the financial Schedules itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial Schedules as a whole, on the basis of accounting described in Note 1.

Stephen M. Connolly, CPA, PC

July 10, 2017

CITY OF ARLINGTON, KANSAS

SUMMARY OF CASH RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH YEAR ENDED DECEMBER 31, 2016

	Unencumbered Beginning Cash Balance	Cash Receipts	Expenditures	Unencumbered Ending Cash Balance	Outstanding Encumbrances and Accounts Payable	Cash Balance December 31, 2016
General Fund	\$ 104,533	\$ 176,321	\$ 187,925	\$ 92,928	\$ 6,952	\$ 99,881
Special Purpose Funds:						
Library Fund	(4,395)	11,513	11,331	(4,214)		(4,214)
Special Highway Fund		13,951	777	13,174		13,174
FEMA Fund	-	-	-	-		-
Capital Project Fund:						
Water Loan Fund	-	-	-	-		-
Enterprise Funds:						
Water Fund	71,857	76,990	79,987	68,860	1,952	70,812
Sewer Fund	91,079	49,259	30,095	110,243	834	111,077
Trash Fund	37,931	32,369	29,211	41,089	2,588	43,677
Agency Fund:						
Insurance Proceeds Fund	-	-	-	-	-	-
Total Reporting Entity	\$ 301,006	\$ 360,403	\$ 339,326	\$ 322,081	\$ 12,325	\$ 334,408
Less transfers		-	-			
		\$ 360,403	\$ 339,326			
Composition of Cash:						
Citizens National Bank - Checking Account						\$ 269,051
Citizens National Bank - Certificates of Deposit						65,357
						\$ 334,408

CITY OF ARLINGTON, KANSAS

NOTES TO FINANCIAL STATEMENTS YEAR ENDED DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- a. The City of Arlington, Kansas (City), is a municipal corporation governed by an elected mayor and council. These financial statements include only the funds which the City directly administers and controls and do not include the following component unit:

Library Board – The Arlington Public Library board operates the City’s public library. The governing body of the library is appointed by the City. Acquisition or disposition of real property by the board must be approved by the City. Bond issuances must also be approved by the City.

- b. Basis of Presentation - Fund Accounting - The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity.

The following types of funds comprise the financial activities of the City for 2016.

Governmental funds:

General fund - to account for all unrestricted resources except those required to be accounted for in other funds or account groups.

Special revenue funds - to account for the proceeds of specific revenue sources or to finance specified activities as required by law or administrative regulation.

Proprietary funds:

Enterprise funds - to account for operations that are financed and operated in a manner similar to business enterprises, where the stated intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where periodic determination of revenues earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Fiduciary funds:

Trust and Agency funds – Trust and agency funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, other funds, and/or other governmental units. These include expendable trust funds and agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations.

- c. Basis of Accounting - These financial statements are presented on a basis of accounting, which demonstrates compliance with the cash basis and budget laws of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund. Cash disbursements are recognized when the cash balance of a fund is decreased. For an interfund transaction, a cash disbursement is recorded in the fund from which the cash is transferred. Expenditures include disbursements and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract.

The municipality has obtained a GAAP waiver from the State of Kansas, which requires this type of special reporting.

- d. Departure from Generally Accepted Accounting Principles - The basis of accounting described above results in a financial statement presentation that shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets, such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance, are not presented. Under generally accepted accounting principles, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year-end did not constitute expenditures or liabilities. Consequently, the expenditures as reported do not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. General fixed assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, temporary notes, and compensated absences are not presented in the financial statements.
- e. Budgetary Information - Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless specifically exempted by statute), debt service funds and enterprise funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:
 - 1. Preparation of the budget for the succeeding calendar year on or before August 1.
 - 2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.
 - 3. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.
 - 4. Adoption of the final budget on or before August 25.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year ended December 31, 2016.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the cash basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital project funds.

Spending in funds, which are not subject to the legal annual operating budget requirement, is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

2. DEPOSITS

At December 31, 2016, the carrying amounts of the City's deposits were \$334,408 and bank balances were \$332,632. The differences between the carrying amount and the balance are outstanding checks and deposits in transit. The bank balance is covered by FDIC insurance and collateralized by pledged securities held under joint custody receipts issued by a third-party bank in the City's name.

3. TAXES

Property Taxes – The determination of assessed valuations and the collection of property taxes for all political subdivisions in the State of Kansas is the responsibility of the various counties. The County Appraiser annually determines assessed valuations and the County Clerk spreads the annual assessment on the tax rolls. The County Treasurer is the tax collection agent for all taxing entities within the county.

In accordance with state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the following year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1 of each year. One-half of the property taxes is due December 20, prior to the fiscal year for which they are budgeted, and second half is due the following May 10.

Motor Vehicle Taxes – Since 1981 most motor vehicles became subject to a special tax paid at the time of registration instead of the traditional property tax. In 1995, the legislature enacted a five-year phase down in the assessment rate on motor vehicles for 30% to 20% of market value.

In 2016, the City received the following from county and state taxes:

	General Fund	Library Fund	Special Highway Fund	Totals
Property Taxes	\$ 68,349	\$ 9,465	\$	\$ 77,814
Motor Vehicle Taxes	13,669	2,048		15,717
County Highway Tax			1,799	1,799
Sales Taxes	51,024			51,024
State Highway Aid			12,152	12,152
	<u>\$ 133,042</u>	<u>\$ 11,513</u>	<u>\$ 13,951</u>	<u>\$ 158,506</u>

The assessed valuation in 2015 was \$1,905,463, which was used to determine the mill levy for 2016. The mill levy for 2016 was 41.54.

4. UTILITIES

The City provides water, sewer and trash services. The City mails their utility bills on the 1st of each month. The utility bills are due by the 10th of the month. Bills not paid by the 10th are subject to a late

charge fee of \$35. If the bill is not paid by the 10th, a notice is sent giving the customer 10 days to pay. After 10 days, a 24 hour shut-off notice is sent, and if the bill is still not paid, the City shall turn off service. Before service shall be restored the customer shall pay said bill and penalty and further service charge in the sum of \$25 to reconnect water service.

The water rates for 2016 are as follows:

Inside City:

0-1,000 gallons	\$ 20.00
1,000 - 9,999 gallons	\$ 2.00 per 1,000 gallons
10,000 - 99,999 gallons	\$ 1.50 per 1,000 gallons

Outside City:

0-1,000 gallons	\$ 27.50
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The sewer rates for 2016 are \$32.00 per month.

Trash rates vary each month due to fuel surcharge.

5. LONG-TERM DEBT

The City's long-term debt is comprised of a loan with the Kansas Water Pollution Control Revolving Fund.

Kansas Public Water Supply Loan Fund

In June 2007, the City entered into a 20-year loan agreement with Kansas Department of Health and Environment for the purpose of a water improvement project. The total cost of the project was \$525,412.

The amount of the loan is up to \$526,729 (\$357,214 outstanding at December 31, 2016) bearing interest at a rate of 3.04%, with principal and interest payments made on a semi-annual basis.

The following reflects changes in Kansas Water Pollution Control Revolving Fund:

2016

Beginning Balance	\$ 380,979
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Advances	
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Payments	<u>23,765</u>
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Ending Balance	<u>\$ 357,214</u>
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Interest Payments	<u>\$ 12,716</u>
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Total Debt Payments	<u>\$ 36,481</u>
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Payments subsequent to 2016:

Year	Principal	Interest	Total
2017	\$ 24,577	\$ 10,674	\$ 35,251
2018	25,417	9,921	35,338
2019	26,286	9,141	35,427
2020	27,185	8,335	35,520
2021	28,114	7,502	35,616
2022	29,075	6,640	35,715
2023	30,070	5,749	35,819
2024	31,097	4,827	35,924
2025	32,161	3,874	36,035
2026	33,260	2,888	36,148
2027	34,397	1,868	36,265
2028	35,573	813	36,386
	<u>\$ 357,214</u>	<u>\$ 72,232</u>	<u>\$ 429,444</u>

6. CONTRACTS

On September 8, 2008, the City entered into a 60-month agreement with Nisly Brothers, Inc (NBI) for waste pickup services for designated residential customers once each week and will provide waste collection services for businesses once each week beginning on January 1, 2016. The City will pay NBI \$9.25 per month per residential, \$12.75 per month per business account, plus a fuel surcharge based on the average price of diesel fuel and \$4.00 per additional polycart on existing accounts.

7. COMPENSATED ABSENCES FOR EMPLOYEES

Under City personnel policies in effect at year-end, the City is liable for payments to employees for vacation and sick pay when taken in agreement with the policy. Under certain conditions, employees may carry over limited credits and may be paid for unused time at termination.

8. CONCENTRATIONS OF CREDIT RISK

The City is engaged in the sale of water and sewer services to customers located in Reno County in Kansas. The City grants credit to those customers and requires no collateral.

9. CAPITAL PROJECTS

The City spent the following on capital items in 2016:

Sidewalks	\$ 39,203
	<u>\$ 39,203</u>

10. COMPLIANCE WITH KANSAS LAW

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration of the Director of Accounts and Reports and interpretation by the County Attorney and legal representatives of the City. The Library Fund had expenditures in excess of available monies in that fund which is a violation of K.S.A. 10-1113. Except for the preceding, there were no other apparent statutory violations during the year ended December 31, 2016 for the funds that were part of this audit.

11. PENSION PLAN

General Information about the Pension Plan

Plan description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by KSA 74-4901, etc. seq. Kansas Law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. KSA 74-4919 and KSA 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2016. Effective January 1, 2016, Kansas law established the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 0.85% contribution rate for Death and Disability Program) and the statutory contribution rate was 9.18% for the fiscal year ended December 31, 2016. Contributions to the pension plan from the City were \$5,290 for the year ended December 31, 2016.

Net Pension Liability

At December 31, 2016, the City's estimated proportionate share of the collective net pension liability was \$51,160. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2016. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

12. INFRASTRUCTURE

The City has elected not to comply with Governmental Accounting Standard No. 34 (GASB 34) regarding the capitalization and tracking of infrastructure or capital assets.

13. RISK MANAGEMENT

The City is exposed to various risks of loss to torts, theft of, damage to, and destruction of assets, job-related injuries and illnesses to employees. To insure against the various risks, the City has obtained various insurance coverage through EMC Insurance Companies.

14. COMMITMENTS AND CONTINGENCIES

The City is not involved in any litigation at December 31, 2016.

15. SUBSEQUENT EVENTS

Management has evaluated subsequent events from the financial statement date through July 10, 2017, the date at which these financial statements were available to be issued, and determined there are no other items to recognize disclose.

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CITY OF ARLINGTON, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET YEAR ENDED DECEMBER 31, 2016

	Actual	Budget	Variance- Favorable (Unfavorable)
General Fund	\$ 187,925	\$ 215,573	\$ 27,648
Special Revenue Funds:			
Library Fund	11,331	11,390	59
Special Highway Fund	777	13,830	13,053
Enterprise Funds:			
Water Fund	79,987	103,480	23,493
Sewer Fund	30,095	51,200	21,105
Trash Fund	29,211	36,000	6,789
Total Budgeted Funds	\$ <u>339,326</u>	\$ <u>431,473</u>	\$ <u>92,147</u>

CITY OF ARLINGTON, KANSAS

GENERAL FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET YEAR ENDED DECEMBER 31, 2016

	2015 Actual	2016 Actual	2016 Budget	Variance- Favorable (Unfavorable)
Cash Receipts:				
County and State Taxes	\$ 81,389	\$ 82,018	\$ 81,624	\$ 394
Local Sales Tax	51,182	51,024	40,000	11,024
Utility Franchise Taxes	18,961	27,836	15,000	12,836
Licenses and Permits	610	319	120	199
Rental Income		-	6,000	(6,000)
Transfers In		-	-	-
Miscellaneous	51,575	14,853	1,000	13,853
Interest on Idle Funds	219	271	100	171
Total Cash Receipts	203,935	176,321	\$ 143,844	\$ 32,477
Expenditures:				
Wages and Insurance	52,967	55,826	42,000	(13,826)
Taxes	557	744	11,750	11,006
Supplies and Maintenance	1,903	222	9,500	9,278
Equipment and Repairs	6,019	10,601	4,000	(6,601)
Fuel	5,465	3,733	10,000	6,267
Office Expense	5,759	7,390	4,200	(3,190)
Professional Fees	2,441	13,310	-	(13,310)
Utilities	18,061	19,703	18,750	(953)
Training	290		500	500
Animal Control	353	271	3,200	2,929
Donations	-	17,024	-	(17,024)
Building Expenses	19,951	19,899	30,000	10,101
Capital Outlay	48,153	39,203	81,423	42,220
Miscellaneous	34,477		250	250
Total Expenditures	196,394	187,925	\$ 215,573	\$ 27,648
Receipts over (under) Expenditures	7,541	(11,604)		
Unencumbered Cash, Beginning Balance	96,993	104,533		
Unencumbered Cash, Ending Balance	\$ 104,533	\$ 92,928		

CITY OF ARLINGTON, KANSAS

LIBRARY FUND

**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2016**

	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2016 Budget</u>	<u>Variance- Favorable (Unfavorable)</u>
Cash Receipts:				
County Taxes	\$ 8,494	\$ 11,513	\$ 11,390	\$ 123
Interest on Idle Funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Cash Receipts	8,494	11,513	<u>\$ -</u>	<u>\$ 11,513</u>
Expenditures:				
Library Appropriation	<u>11,413</u>	<u>11,331</u>	<u>\$ 11,390</u>	<u>\$ 59</u>
Total Expenditures	<u>11,413</u>	<u>11,331</u>	<u>\$ 11,390</u>	<u>\$ 59</u>
Receipts over (under) Expenditures	(2,919)	181		
Unencumbered Cash, Beginning Balance	<u>(1,476)</u>	<u>(4,395)</u>		
Unencumbered Cash, Ending Balance	<u>\$ (4,395)</u>	<u>\$ (4,213)</u>		

CITY OF ARLINGTON, KANSAS

SPECIAL HIGHWAY FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

YEAR ENDED DECEMBER 31, 2016

	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2016 Budget</u>	<u>Variance- Favorable (Unfavorable)</u>
Cash Receipts:				
State Fuel Tax	\$ 12,147	\$ 12,152	\$ 12,180	\$ (28)
County Tax	925	1,799	1,650	149
Interest on Idle Funds		-	-	
Total Cash Receipts	13,072	13,951	<u>\$ 13,830</u>	<u>\$ (28)</u>
Expenditures:				
Supplies and Maintenance	<u>12,560</u>	<u>777</u>	<u>\$ 13,830</u>	\$ 13,053
Total Expenditures	<u>12,560</u>	<u>777</u>	<u>\$ 13,830</u>	<u>\$ 13,053</u>
Receipts over (under) Expenditures	512	13,174		
Unencumbered Cash, Beginning Balance	<u>(512)</u>			
Unencumbered Cash, Ending Balance	<u>\$</u>	<u>\$ 13,173.82</u>		

CITY OF ARLINGTON, KANSAS

FEMA FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET YEAR ENDED DECEMBER 31, 2016

	2015 <u>Actual</u>	2016 <u>Actual</u>
Cash Receipts:		
Federal and State Grants	\$ <u>-</u>	\$ <u>-</u>
Total Cash Receipts		
Expenditures:		
Wages		-
Supplies and Maintenance	-	-
Fuel	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>
Receipts over (under) Expenditures		-
Unencumbered Cash, Beginning Balance	<u>-</u>	<u>-</u>
Unencumbered Cash, Ending Balance	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>

CITY OF ARLINGTON, KANSAS

WATER LOAN FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET YEAR ENDED DECEMBER 31, 2016

	2015 Actual	2016 Actual
Cash Receipts:		
KDHE Loan Proceeds	\$ -	\$ -
Total Cash Receipts		
Expenditures:		
Capital Outlay	-	-
Total Expenditures	-	-
Receipts over (under) Expenditures	-	-
Unencumbered Cash, Beginning Balance	-	-
Unencumbered Cash, Ending Balance	\$ -	\$ -

CITY OF ARLINGTON, KANSAS

WATER FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2016

	2015 Actual	2016 Actual	2016 Budget	Variance- Favorable (Unfavorable)
Cash Receipts:				
Water Charges	\$ 73,664	\$ 74,763	\$ 75,000	\$ (237)
Connection Fees and Late Charges	850	1,834	-	1,834
Miscellaneous	86	245	200	45
Interest on Idle Funds	188	148	100	48
Total Cash Receipts	74,789	76,990	\$ 75,300	\$ 1,690
Expenditures:				
Wages and Insurance	29,316	26,961	\$ 40,000	\$ 13,039
Taxes	110	631	1,000	369
Supplies and Maintenance	1,879	1,089	10,000	8,911
Equipment and Repairs	10,806	9,489	3,000	(6,489)
Fuel	-	-	-	-
Office Expense	-	-	-	-
Legal and Accounting	5,150	-	8,000	8,000
Utilities	4,832	4,037	5,000	963
Training	170	-	-	-
Miscellaneous	26,679	1,300	-	(1,300)
Principal Payment	22,979	23,765	23,765	-
Interest Payment	13,501	12,715	12,715	-
Transfer to General Fund	-	-	-	-
Total Expenditures	115,423	79,987	\$ 103,480	\$ 23,493
Receipts over (under) Expenditures	(40,635)	(2,998)		
Unencumbered Cash, Beginning Balance	112,491	71,856		
Unencumbered Cash, Ending Balance	\$ 71,856	\$ 68,858		

CITY OF ARLINGTON, KANSAS

SEWER FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET YEAR ENDED DECEMBER 31, 2016

	2015 Actual	2016 Actual	2016 Budget	Variance- Favorable (Unfavorable)
Cash Receipts:				
Sewer Charges	\$ 35,000	\$ 49,028	\$ 33,000	\$ 16,028
Miscellaneous	291		-	
Interest on Idle Funds	135	231	150	81
Total Cash Receipts	35,425	49,259	\$ 33,150	\$ 16,109
Expenditures:				
Wages and Insurance	16,408	14,915	\$ 10,000	\$ (4,915)
Taxes	-	-	500	500
Supplies and Maintenance	6,043	7,684	10,000	2,316
Equipment and Repairs	2,402	3,291	27,500	24,209
Utilities	2,755	3,015	3,200	185
Miscellaneous	3,227	1,190	-	(1,190)
Total Expenditures	30,834	30,095	\$ 51,200	\$ 21,105
Receipts over (under) Expenditures	4,590	19,163		
Unencumbered Cash, Beginning Balance	86,488	91,079		
Unencumbered Cash, Ending Balance	\$ 91,079	\$ 110,243		

CITY OF ARLINGTON, KANSAS

TRASH FUND

**SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
YEAR ENDED DECEMBER 31, 2016**

	<u>2015 Actual</u>	<u>2016 Actual</u>	<u>2016 Budget</u>	<u>Variance- Favorable (Unfavorable)</u>
Cash Receipts:				
Charges for Service	\$ 31,344	\$ 32,291	\$ 36,000	(3,709)
Interest on Idle Funds	<u>70</u>	<u>79</u>		\$ <u>79</u>
Total Cash Receipts	31,414	32,369	<u>\$ 36,000</u>	<u>\$ (3,631)</u>
Expenditures:				
Contractual Services	<u>28,244</u>	<u>29,211</u>	<u>\$ 36,000</u>	<u>\$ 6,789</u>
Total Expenditures	<u>28,244</u>	<u>29,211</u>	<u>\$ 36,000</u>	<u>\$ 6,789</u>
Receipts over (under) Expenditures	3,168	3,157		
Unencumbered Cash, Beginning Balance	<u>34,762</u>	<u>37,930</u>		
Unencumbered Cash, Ending Balance	<u>\$ 37,930</u>	<u>\$ 41,087</u>		

CITY OF ARLINGTON, KANSAS

INSURANCE FUND

SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET YEAR ENDED DECEMBER 31, 2016

	<u>2015 Actual</u>	<u>2016 Actual</u>
Cash Receipts:		
Miscellaneous	\$ -	\$ -
Interest on Idle Funds	-	-
	<hr/>	<hr/>
Total Cash Receipts	-	-
Expenditures:		
Miscellaneous	-	-
Transfers Out	-	-
	<hr/>	<hr/>
Total Expenditures	-	-
	<hr/>	<hr/>
Receipts over (under) Expenditures	-	-
Unencumbered Cash, Beginning Balance	-	-
	<hr/>	<hr/>
Unencumbered Cash, Ending Balance	\$ <u>-</u>	\$ <u>-</u>